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U.S. Environmental Protection Agency, Region 2  
290 Broadway, 17<sup>th</sup> Floor  
New York, NY 10007

Dear Sarah,

Thank you for your letter of August 23, 2012. The CPG will make its representatives available for a meeting with EPA on September 13.

The CPG will be prepared to confirm the availability of commercial facilities to dewater any sediments that require such processing under the RM 10.9 AOC, making the use of the Upland Processing Facility (UPF) unnecessary for that purpose. As requested, a detailed explanation of how the CPG proposes to handle the sediment from RM 10.9 will be provided to EPA by September 7.

Moreover, as we explained in detail in our letter to Carol Dinkins of August 10, use of the UPF in connection with the RM 10.9 removal is not a viable option for a host of reasons. Indeed, such use would add to the costs of the CPG in performing the RM 10.9 removal, would expose the CPG members to additional potential liabilities, and would likely delay the implementation of the RM 10.9 removal. For these reasons, as we explained, the CPG has no use for the UPF in connection with the implementation of the RM 10.9 work, and the offer by Occidental to make the UPF available does not represent a good faith basis for Occidental to participate in the RM 10.9 removal.

To the extent that the sufficiency of Occidental's offer will be addressed at the upcoming meeting, such discussions must begin with the baseline against which such offer must be evaluated—namely, Occidental's responsibility for the vast majority of the sediment risk and removal costs at RM 10.9. Occidental's share of such liability has already been calculated by a third-party neutral following presentations from both Tierra and the CPG.

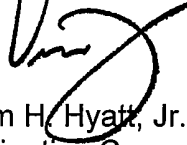
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The CPG has consented to EPA's review of the neutral's analysis and recommendations, and reiterates its August 10 request that Occidental do the same.

While EPA may want Occidental to maintain the UPF in existence for potential Phase II removal activities at Lister Avenue, such work is separate and apart from RM 10.9. Since the UPF does not provide any value for the RM 10.9 removal work, accepting such work as part of Occidental's compliance with Unilateral Administrative Order, CERCLA Docket No. 02-2012-2020 is inappropriate, and the CPG strongly objects to the same.

We look forward to meeting with EPA on September 13.

Very truly yours,



William H. Hyatt, Jr.  
Coordinating Counsel  
LPRSA Site Cooperating Parties Group

cc: Carol E. Dinkins, Esquire  
Mr. Raymond Basso  
Ms. Stephanie Vaughn  
Ms. Patricia Hick